

The Scientific Beta Report

Q2 2019

Don't just be smart. Be Scientific. 

OVERVIEW

The Global X Scientific Beta ETFs are a family of funds that provide core equity exposure to U.S. and international markets. The ETFs may be considered viable alternatives to actively managed funds as they seek to outperform market capitalization weighted indexes by following a methodology rooted in academic research, while preserving the lower costs and transparency of an ETF.

SCIU
United States

SCID
Europe

SCIX
Asia ex-Japan

SCIJ
Japan

All data as of 6/30/19

	Ticker	Gross Expense Ratio		Since Fund Inception	1 Year	3 Year Annualized	Annualized Since Fund Inception
Global X Scientific Beta U.S. ETF	SCIU	0.19%	NAV	41.57%	7.80%	10.95%	8.77%
			Market Price	41.44%	7.74%	10.87%	8.75%
			SBUXRHMG Index	42.97%	7.94%	11.16%	9.03%
Global X Scientific Beta Europe ETF	SCID	0.38%	NAV	16.02%	-2.82%	8.85%	3.66%
			Market Price	15.90%	-2.89%	8.40%	3.63%
			SBRXRHMN Index	17.30%	-2.61%	9.11%	3.93%
Global X Scientific Beta Asia ex-Japan ETF	SCIX	0.38%	NAV	21.11%	6.62%	9.37%	4.74%
			Market Price	21.06%	6.13%	8.98%	4.73%
			SBAXRHMN Index	21.08%	7.05%	9.79%	4.73%
Global X Scientific Beta Japan ETF	SCIJ	0.39%	NAV	18.15%	-8.76%	4.79%	4.12%
			Market Price	18.00%	-8.73%	4.65%	4.09%
			SBJURHMN Index	19.42%	-8.54%	5.08%	4.39%

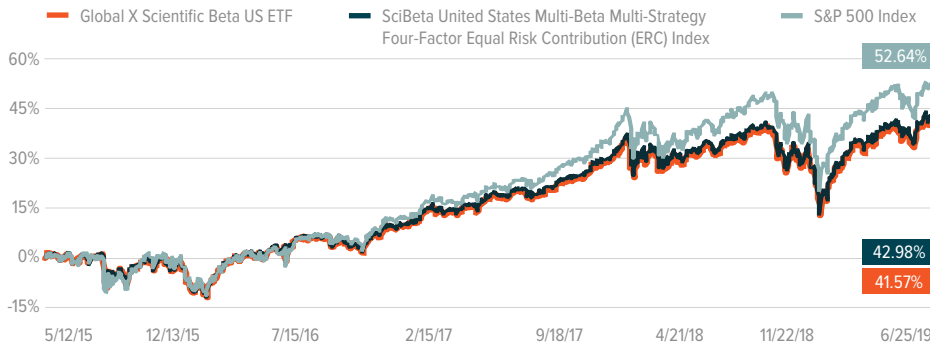
The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Indices are unmanaged and do not include the effect of fees, expenses, or sales charges. One cannot invest directly in an index. For performance data current to the most recent month end, please call 1-888-493-8631 or visit our website at globalxetfs.com.



PERFORMANCE AND ATTRIBUTION

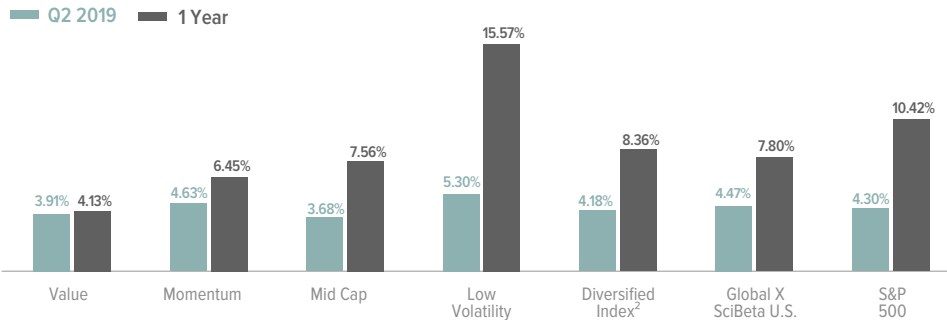
SINCE INCEPTION¹ PERFORMANCE AS OF 6/30/2019

Source: Bloomberg, June 2019



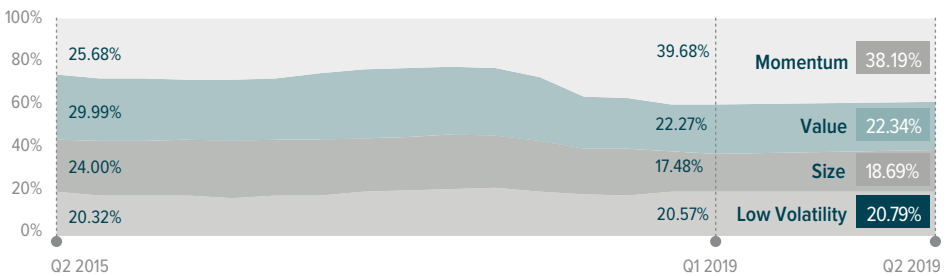
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, June 2019



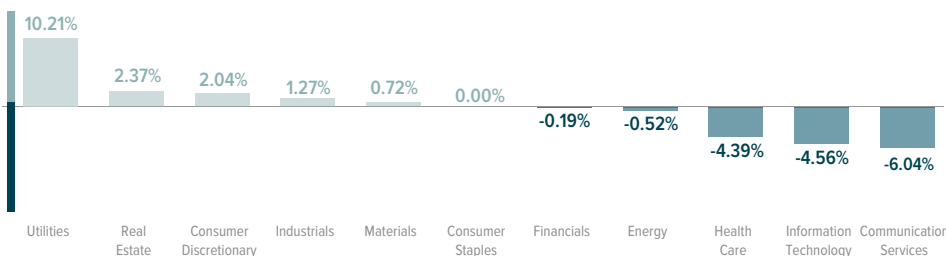
SCIBETA U.S. HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, June 2019



SCIBETA U.S. SECTOR OVERWEIGHT/UNDERWEIGHT VS. S&P 500

Source: Global X ETFs, Bloomberg. As of 6/30/19



¹Since inception of SCIU ETF, 5/12/15.

²Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCIU TOP 10 HOLDINGS

Source: Global X ETFs, As of 6/30/19

Total	7.81%
Duke Energy Corp.	1.10%
Dominion Energy Inc.	0.98%
Southern Co.	0.89%
CME Group Inc.	0.83%
Entergy Corp.	0.72%
Ameren Corp.	0.69%
Walmart Inc.	0.66%
American Electric Power Co Inc.	0.65%
FirstEnergy Corp.	0.65%
NIKE Inc.	0.64%

Holdings subject to change.

S&P 500 INDEX TOP 10 HOLDINGS

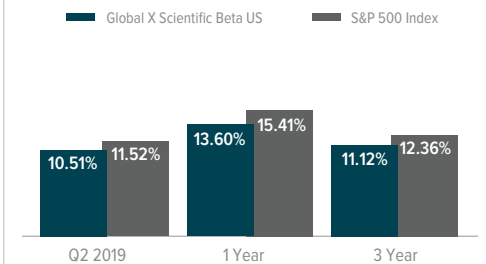
Source: Bloomberg, As of 6/30/19

Total	21.55%
Microsoft Corporation	4.20%
Apple, Inc.	3.54%
Amazon.com, Inc.	3.21%
Facebook, Inc. Class A	1.90%
Berkshire Hathaway, Inc. Class B	1.69%
Johnson & Johnson	1.51%
JPMorgan Chase & Co.	1.48%
Alphabet, Inc. Class C	1.36%
Alphabet, Inc. Class A	1.33%
Exxon Mobil Corporation	1.33%

Holdings subject to change.

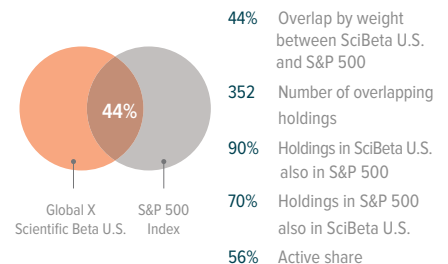
VOLATILITY

Source: Bloomberg, June 2019



HOLDINGS OVERLAP

Source: Global X ETFs, Bloomberg and S&P

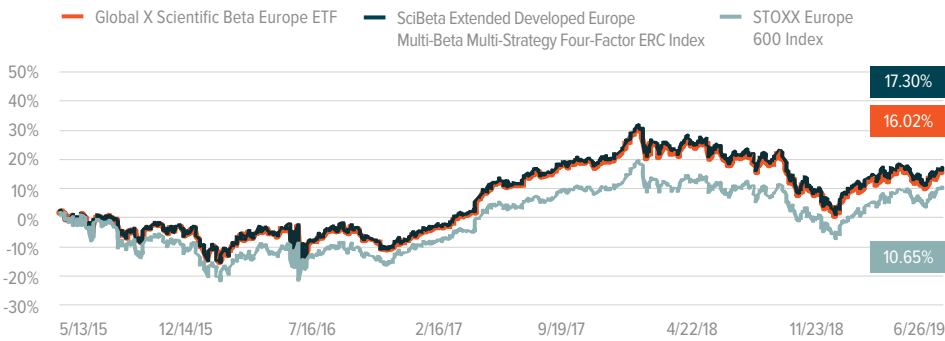




PERFORMANCE AND ATTRIBUTION

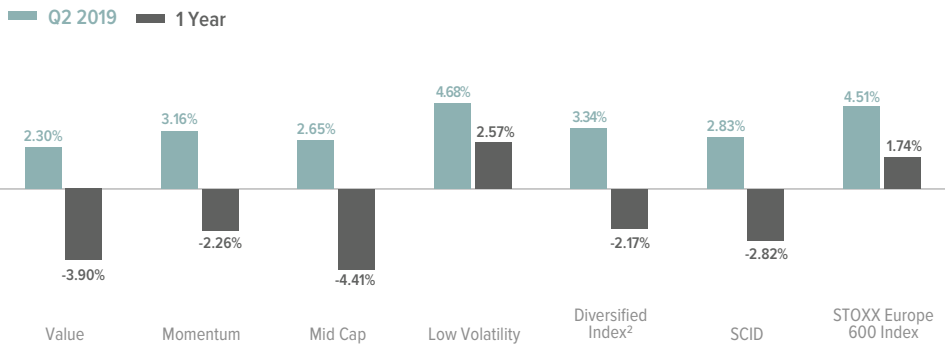
SINCE INCEPTION¹ PERFORMANCE AS OF 6/30/2019

Source: Bloomberg, June 2019



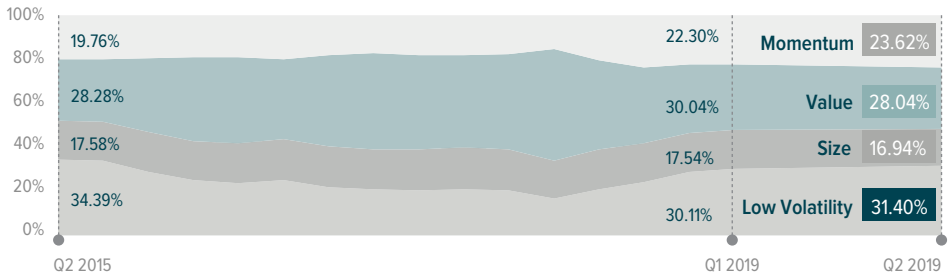
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, June 2019



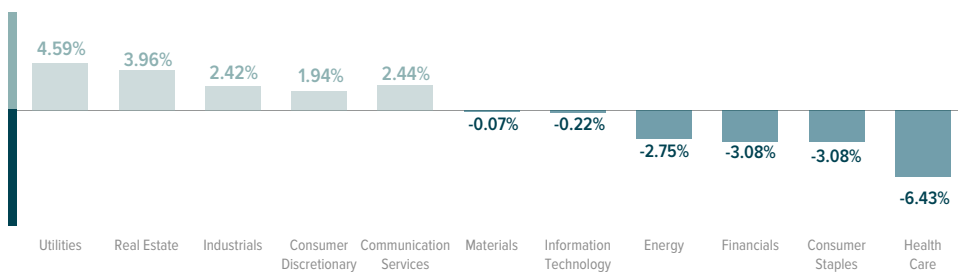
SCID HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, June 2019



SCID SECTOR OVERWEIGHT/UNDERWEIGHT VS. STOXX EUROPE 600 INDEX

Source: Global X ETFs, Bloomberg. As of 6/30/19



¹Since inception of SCID ETF, 5/12/15.

²Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCID TOP 10 HOLDINGS

Source: Global X ETFs, As of 6/30/19

Total	6.37%
Koninklijke Ahold Delhaize NV	1.02%
Compass Group PLC	0.83%
Alstom SA	0.59%
Hexagon AB	0.59%
Kerry Group PLC	0.58%
Enel SpA	0.58%
Swiss Re AG	0.57%
UCB SA	0.55%
Pernod Ricard SA	0.54%
Fresenius Medical Care AG & Co	0.53%

Holdings subject to change.

STOXX EUROPE 600 INDEX TOP 10 HOLDINGS

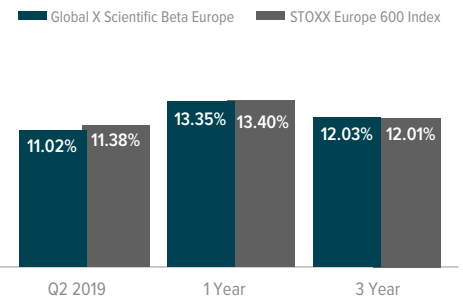
Source: STOXX, As of 6/30/19

Total	18.28%
Nestle SA	3.36%
Novartis AG	2.45%
Roche Holding AG	2.09%
HSBC Holdings PLC	1.82%
SAP SE	1.58%
TOTAL SA	1.58%
Royal Dutch Shell PLC	1.52%
BP PLC	1.50%
LVMH Moët Hennessy	1.20%
Linde PLC	1.18%

Holdings subject to change.

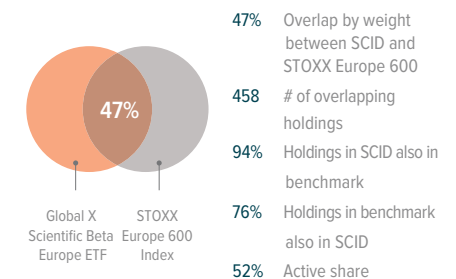
VOLATILITY

Source: Bloomberg, June 2019



HOLDINGS OVERLAP

Source: Global X ETFs and Bloomberg

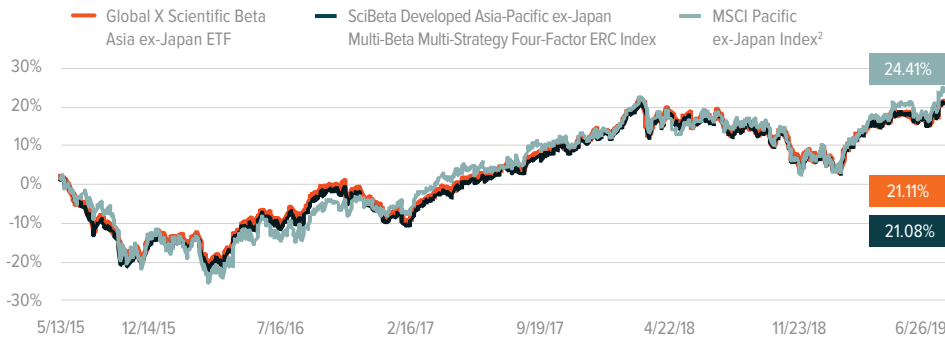




PERFORMANCE AND ATTRIBUTION

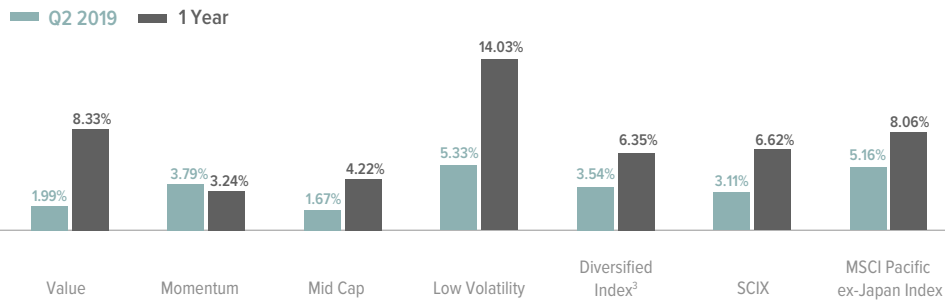
SINCE INCEPTION¹ PERFORMANCE AS OF 6/30/2019

Source: Bloomberg, June 2019



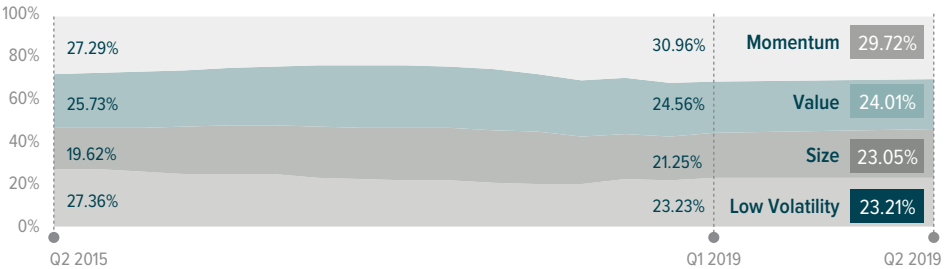
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, June 2019



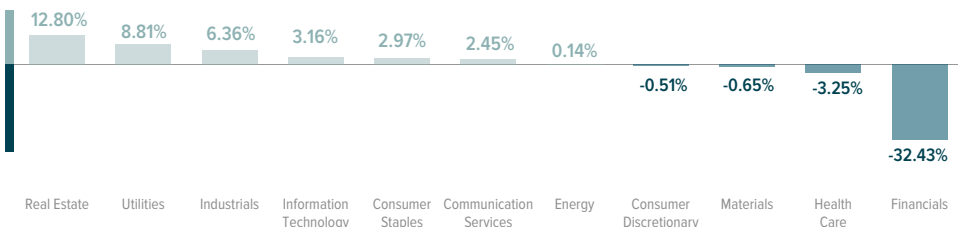
SCIX HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, June 2019



SCIX SECTOR OVERWEIGHT/UNDERWEIGHT WITH MSCI PACIFIC EX-JAPAN INDEX

Source: Global X ETFs, Bloomberg, As of 6/30/19



¹Since inception of SCIX ETF, 5/12/15.

²MSCI Daily Net Total Return Asia Pacific ex-Japan USD Index

³Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCIX TOP 10 HOLDINGS

Source: Global X ETFs, As of 6/30/19

Total	19.54%
CLP Holdings Ltd	2.49%
Wilmar International Ltd	2.46%
Link REIT	2.27%
Contact Energy Ltd	1.97%
CapitaLand Commercial Trust	1.91%
Hong Kong & China Gas Co Ltd	1.89%
Spark New Zealand Ltd	1.78%
Power Assets Holdings Ltd	1.64%
Swire Properties Ltd	1.60%
Meridian Energy Ltd	1.53%

Holdings subject to change.

MSCI PACIFIC EX-JAPAN INDEX TOP 10 HOLDINGS

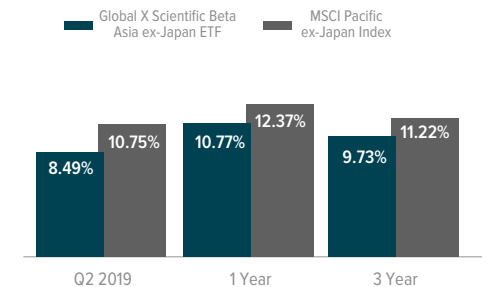
Source: MSCI, As of 6/30/19

Total	37.75%
AIA Group Ltd.	7.34%
Commonwealth Bank of Australia	5.80%
BHP Billiton Ltd.	4.80%
Westpac Banking Corp.	3.87%
CSL Ltd.	3.85%
Australia & New Zealand Banking Group	3.19%
National Australia Bank Ltd.	2.94%
Hong Kong Exchanges and Clearing Ltd.	2.37%
DBS Group Holdings Ltd.	1.94%
Woolworths Group Ltd.	1.66%

Holdings subject to change.

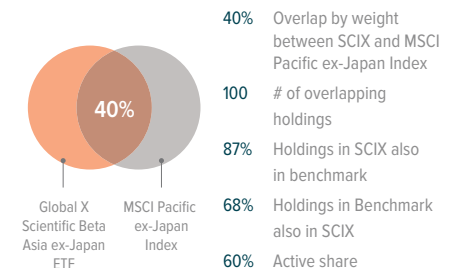
VOLATILITY

Source: Bloomberg, June 2019



HOLDINGS OVERLAP

Source: Global X ETFs, Bloomberg

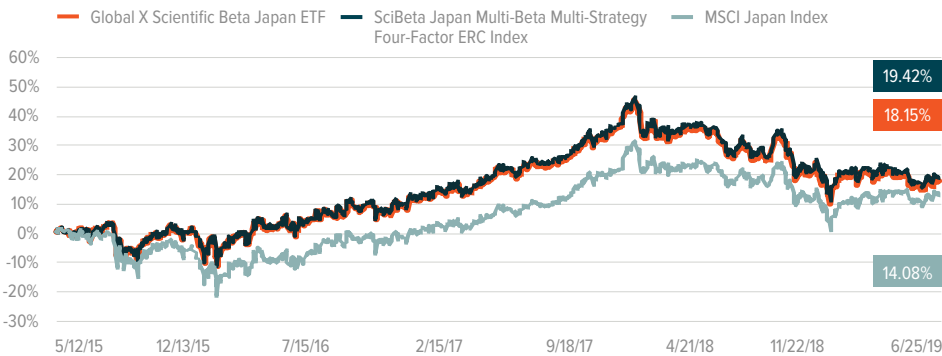




PERFORMANCE AND ATTRIBUTION

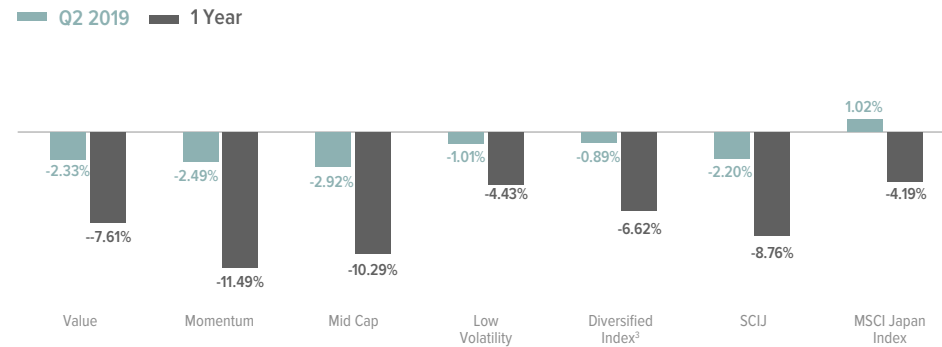
SINCE INCEPTION¹ PERFORMANCE AS OF 6/30/2019

Source: Bloomberg, June 2019



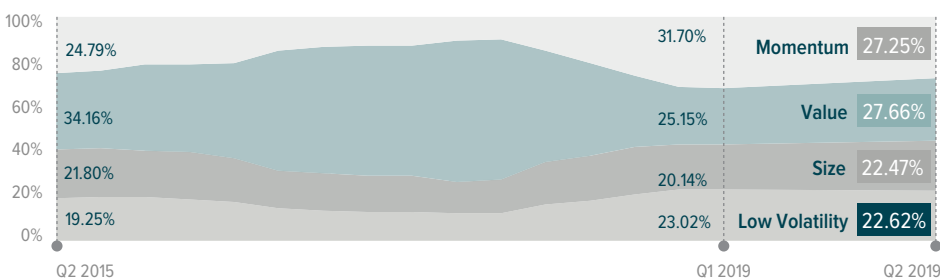
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, June 2019



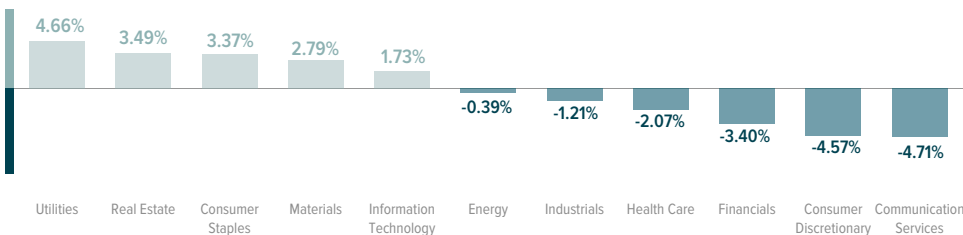
SCIJ HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, June 2019



SCIJ SECTOR OVERWEIGHT/UNDERWEIGHT WITH MSCI JAPAN INDEX

Source: Global X ETFs, Bloomberg, As of 6/30/19



¹Since inception of SCIJ ETF, 5/12/15.

²MSCI Daily Net Total Return Japan USD Index

³Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCIJ TOP 10 HOLDINGS

Source: Global X ETFs, As of 6/30/19

Total	10.74%
Japan Post Holdings Co Ltd	1.36%
NEC Corp	1.12%
Konica Minolta Inc	1.09%
Ricoh Co Ltd	1.07%
NH Foods Ltd	1.06%
FUJIFILM Holdings Corp	1.03%
Chugoku Electric Power Co Inc	1.03%
Nippon Telegraph & Telephone Corp	1.02%
Japan Retail Fund Investment Corp	0.99%
Fujitsu Ltd	0.98%

Holdings subject to change.

MSCI JAPAN INDEX TOP 10 HOLDINGS

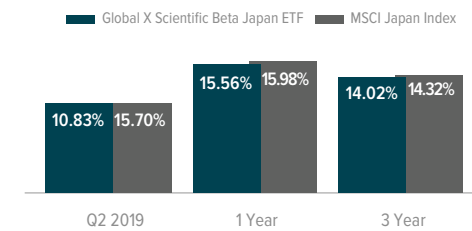
Source: MSCI, As of 6/30/19

Total	19.06%
Toyota Motor Corp.	4.28%
Softbank Group Corp.	2.39%
Sony Corp.	2.01%
Mitsubishi UFJ Financial Group	1.77%
Keyence Corp.	1.69%
Takeda Pharmaceutical Co Ltd.	1.59%
Sumitomo Mitsui Financial Group	1.42%
KDDI Corp.	1.36%
Honda Motor Co Ltd.	1.27%
Nintendo Co Ltd.	1.26%

Holdings subject to change.

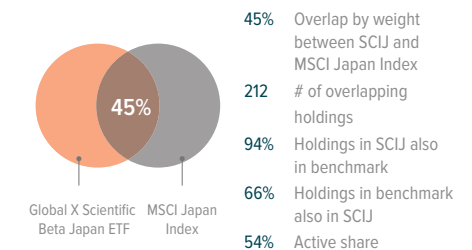
VOLATILITY

Source: Bloomberg, June 2019



HOLDINGS OVERLAP

Source: Global X ETFs, Bloomberg, As of 6/30/19



**Definitions:**

The objective of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor Equal Risk Contribution Indexes (USA, Japan, Extended Developed Europe, Asia ex-Japan) is to represent the performance of large and medium capitalization companies from their respective regions while outperforming the capitalization-weighted reference index for that region, with a limited amount of relative risk against that reference.

The S&P 500 is an index of 500 stocks chosen by factors such as market size, liquidity and industry grouping. The Index is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large-cap universe.

The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

The MSCI Pacific ex Japan Index captures large and mid cap representation across 4 of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 318 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. Active Share is the percentage of holdings in a portfolio that do not overlap with the benchmark index.

Carefully consider the Funds' investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Funds' summary or full prospectus, which may be obtained by calling 1.888.493.8631, or by visiting www.globalxetfs.com. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. In addition to the normal risks associated with investing, international investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. For the Scientific Beta Japan ETF, the Japanese economy may be subject to considerable degrees of economic, political and social instability, which could have a negative impact on Japanese securities. In addition, Japan is subject to the risk of natural disasters, such as earthquakes, volcanoes, typhoons and tsunamis, which could negatively affect the Fund.

Diversification may not protect against market risk. There is no assurance the goals of the strategy discussed will be met.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Global X NAVs are calculated using prices as of 4:00 PM Eastern Time. The market price is the Mid-Point between the Bid and Ask price as of the close of exchange and do not represent the returns you would receive if you traded shares at any other times.

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